

PROVIDING FOR OLD AGE

Annuities Will Become Popular
in America.

AUTOMATICALLY PAY TAXES

The Old Age Pension And The Annuity
—Provision For Declining Years A
Feature of an Interesting Experiment
In Massachusetts.

BOSTON, August 17, 1907.—Old age pensions without socialistic features. The annuity, long popular in most European countries, may yet give the thrifty American workingman a chance to provide voluntarily for his old age instead of being taxed by the state or by his employer on that account. In Germany life and old age insurance is compulsory.



That may be all right for the Germans, if they like it, but that isn't the American way. We don't believe in making the individual merely a ward of the state. Our idea is to encourage him to do things on his own hook; to look out for himself instead of being looked out for.

That is why schemes by which the state is to pension people are never se-

riously entertained in the United States. Massachusetts for several years past has had experience with an agitation, carried on energetically by a small group of well-meaning persons, for the establishment of a system by which the workman will automatically pay taxes during his productive years and automatically come into a pension after he has passed a certain age or has become disabled. This plan would be compulsory. No escape from the taxation. No choice in the matter. As the average American does not like to have virtues rammed down his throat, he has not shown great enthusiasm for this method of giving him a pension.

A much more American scheme of old age pensions is offered by the savings annuity, so say enthusiastic promoters of the plan by which savings banks of the Bay State have been authorized at any time after November 1, 1907, to establish departments for dealing in annuities as well as in small industrial life insurance policies. Because of the opposition of certain interests to the idea of a savings institution issuing life policies—though insurance is basically only a form of savings—less public attention has been directed to the importance of the provisions in the Brandeis-White bill regarding annuities of \$200 each which any resident of Massachusetts may purchase of any savings bank which takes advantage of the permission granted by the new law.

Yet a chance is really offered, which, if the departure is found successful in one American state, will almost certainly be taken up in others, for enabling persons of thrift and foresight to pension themselves, in the most economical manner possible. Henceforth it will be "up" to the forehand.

Annuities, to be sure, have been less in vogue in this country than in most countries up to this time. There have been greater profits for insurance companies in handling the various kinds of life policies. Annuities have been issued for the most part as gifts from some wealthy person to a poor relative or a dependent. Now and then a man of wealth provides for himself in this way against all possible vicissitudes of the stock market. The most noted market operator in Boston is said thus to have secured his future with an annuity of \$35,000.

Whether American wage-earners will

buy annuities at the lowest possible price from the savings banks which they have patronized to the extent of \$3,482,127, 198, is what is to be tested in Massachusetts. The problem is to discover if any considerable number of people are willing to do their duty by themselves and their families without being led to do so by a persuasive agent. Under the law the banks are not to employ solicitors to sell either annuities or policies. The business will be strictly "over the counter." There will, however, doubtless be no reason why the advantages of old age pensioning should not be set forth in the form of such advertising as these institutions do in the local press.

If successful, the scheme will carry out in the United States idea which have belonged to the conception of the annuity from the beginning. The mathematics of the arrangement by which a sum of money, either in a single payment or a series of payments, can be so applied at compound interest as to produce annual payments of a fixed amount during the remaining life time of an average individual was first worked out by no less a personage than the Grand Pensionary of Holland, John DeWitt, the statesman, who so often led the Dutch to victory against the English.

DeWitt who had become interested in speculation then current regarding probabilities in games of chance, was the first to establish for philanthropic purposes tables of mortality, based on the register of births and deaths in Dutch parishes. He wrote and presented to the State-General of his nation a treatise on "life annuities" in which were laid down practically all the principles now in use. His was really a remarkable achievement. Most of the other mathematicians of the age—like the gentle and pious Pascal—were engaged in the less humanitarian task of discovering by what calculations they could break the bank at dice or cards. Some time after DeWitt's tragic death at the hands of an ungrateful populace others developed the details of his scheme. Among them it is well remembered, was the French philosopher, Condorcet, who proved by mathematical tables that the human race would soon be perfect and immortal. He committed suicide, unfortunately, before he had illustrated his own theory.

Throughout the eighteenth century, when philosophical and practical designs for the benefit of humanity were popular, mathematicians were perfecting the arrangements by which annuities could be issued. Soon associations began to handle them as a business of a beneficent character. The "Laudable Society of London, for the benefit of widows," was begun in 1761, while the London Annuity Society was established in 1765. Throughout Great Britain voluntary annuity associations were formed, many of which have lasted down to this day. Part of the work of the ideal savings institution, as outlined in 1807 by Samuel Whitbread, the Whig reformer, was to provide annuities on favorable terms. Eminent mathematicians, like the Rev. Dr. Price, gave time and study to the theory of "reversionary payments." In British life, as every reader of English novels learns, the annuity has long been a very important feature.

Speculations and practices regarding annuities spread even to this country. Among the bibliographical treasures of the Boston Public Library is The Plan of a Society for Making Provisions for Widows by Annuities for the Remainder of Life and Granting Annuities to Persons after Certain Ages with the Proper Tables For Calculating What Must Be Paid by the Several Members In Order to Receive the Said Advantages By William Gordon Boston Sold by Joseph Edwards and John Fleming.

MDCCCLXII
This book contains not a little homely philosophy of life—of the kind the author of "Poor Richard's Almanac" must have been approved, and a lot of disagreements with the mortality tables used in Great Britain. The census of Massachusetts ordered by Lieutenant Governor Hutchinson is used to illustrate the author's points.

Renewed interest in this whole subject of the annuity is predicted in this country as a result of the general establishment of "savings and insurance" banks. Although rates, based on specific tables of mortality, must obviously be prepared by a state actuary it is possible to show in a general way how easily an individual can pension himself under the annuity system. Suppose a man of thirty-five earning the good wages that are universal in this era of prosperity carries perhaps a little life insurance that affords present protection for his family. But his children are already growing up. What he has most seriously to consider henceforth is not the chance of early death, but how not to become a burden to others after the productive years are over; for men wear out early in this strenuous age.

Such a man, earning, say, thirty or thirty-five dollars a week might contract with three savings banks for "deferred" annuities of \$100 each, to begin when he is fifty. That would mean that for the

remainder of his life after that age he would have an annual pension of \$300. The exact cost of such protection during old age in an American community cannot be stated. That will have to be determined by a state actuary under the new savings insurance plan. Based, however, on the classic English tables, the man's annual contribution between the ages of 35 and 50 in order to effect the purchase of these three annuities of \$100 each would amount to about \$180—by no means an impossible saving for a man earning \$1500 or more. And in no other way—unless through the accident of lucky speculations—could a wage-earner's savings be made to yield for him so large an income, available at just the time of life when he is most likely otherwise to become dependent upon the charity of relatives. Many other forms of annuity besides the foregoing, are, of course, possible. Some involve payment as a lump sum at the date from which the pensioning payments are made others of a lump sum to be put on compound interest years before this date. The scheme to be adopted in Massachusetts will doubtless involve protection to those who purchase annuities by installment payments so that if for some reason, as on account of illness or loss of work, the payments have to be discontinued, the annuity will have a surrender value just as a life policy would in similar circumstances. These matters were provided for in general terms in the act recently drawn up by Louis D. Brandeis and presented to the legislature by Representative Norman H. White, secretary of the Massachusetts Savings League. The most essential point is that for the first time the workers of an American state are to have an opportunity, under careful supervision of the Commonwealth to effect their own old age pensions.

WINS ON "STAYAWAY."

A New Orleans police sergeant took his wife to the races recently. Having no knowledge of the betting game, he asked a brother officer for information on the races to be held next day. The other was surprised at his friend's sudden show of interest in racing, and, not caring to encourage any one in betting on the ponies, after a moment's reflection said the best bet was "Stayaway."

The sergeant took the tip seriously, missing the joke entirely, and his wife was no less enthusiastic, as visions of half the spoils of the raid on the bookies rose before her. On reaching the track they secured a program and looked it over, but "Stayaway" was not on the card. After looking the program over two or three times his wife called his attention to "Getaway," in the last race, saying perhaps he had not caught the name right. But the sergeant was sure of the name. His trust in his brother officer was supreme.

Just before the last race the sergeant's wife urged him to bet at least \$10 on "Getaway," saying she felt sure that was the horse his friend had tipped him to play.

The bookies were laying 12 to 1 against "Getaway" when the sergeant got his ticket, but a strong play soon followed, which backed him down, and when the horses faced the barrier "Getaway" was second officer, and the talent were rewarded by his winning in a driving finish.

The sergeant jokingly referred to the mistake in the names on meeting his friend the next day, and is not yet wise to the fact that he was the victim of a bit of sarcasm that netted him \$120.

SAY BURRELL IS IN CANADA.

Indiana Authorities Report Bank President Lost \$36,000.

INDIANAPOLIS, August 17.—The state authorities believe that Hugh Burrell, president of the wrecked Peoples' State Bank of Brownstown has made his way to Canada, despite the vigilance of detectives, and efforts are now making to locate him in that country. The latest developments show that he lost \$36,000 in speculations without authority of the directors, and the state authorities say the offense is indictable and that he will be prosecuted if found. Bank Examiner Camp and Deputy Oglesby have discovered that three citizens of Brownstown were associated with Burrell in his speculations, and they are now under surveillance of officers and will be arrested if they attempt to leave the city. The prosecutor is looking into the subject and arrests are expected at any time.

"There are three citizens of Brownstown," said Mr. Oglesby, "who assisted Burrell in plundering that bank. They drew out money in unauthorized ways for illegal purposes. They signed notes, but not with their own signatures. There are forgeries to the amount of several thousand dollars that are not Hugh Burrell's."

Morning Astorian, 60 cents per month, delivered by carrier.

STEEL & EWART

Electrical Contractors

Bells, House Phones, Inside Wiring and Fixtures
Installed and Kept in Repair

IN BUSINESS FOR BUSINESS AND YOUR SATISFACTION.

222 Twelfth Street.

Phone Main 3081

FINANCIAL.

First National Bank of Astoria, Ore.

ESTABLISHED 1886.

Capital \$100,000

J. Q. A. BOWLBY, President.

FRANK PATTON, Cashier.

O. I. PETERSON, Vice-President.

J. W. GARNER, Assistant Cashier.

Astoria Savings Bank

Capital Paid in \$100,000. Surplus and Undivided Profits \$60,000
Transacts a General Banking Business. Interest Paid on Time Deposits

FOUR PER CENT PER ANNUM

Eleventh and Duane streets.

ASTORIA, OREGON.

Fisher Bros. Company

Sole Agents for

Barbour's and Finlayson's
Salmon Twine
and Netting

Hardware, Iron, Steel and Ship Chandlery.
Pipe and Pipe Fittings, Brass Goods, Paints, Oils, Glass and Hardwood

Groceries

A Complete Line of Fishing, Cannery
Logger and Mill Supplies

Fisher Bros. Co.

546-550 Bond Street

Astoria, - - Oregon

THE TRENTON

First-Class Liquors and Cigars

602 Commercial Street.

Corner Commercial and 14th. Astoria, Oregon.

Tide Table for August

AUGUST, 1907,					AUGUST, 1907,						
High Water.	A. M.	P. M.	Low Water.	A. M.	P. M.	High Water.	A. M.	P. M.	Low Water.	A. M.	P. M.
Date.	h.m.	h.m.	Date.	h.m.	h.m.	Date.	h.m.	h.m.	Date.	h.m.	h.m.
Thursday	1	6:42	6:42	7:01	8:0	Thursday	1	6:51	1:8	12:43	2.2
Friday	2	8:00	8:00	7:58	8:0	Friday	2	8:08	1:5	1:43	2.5
Saturday	3	9:18	9:18	8:52	8:0	Saturday	3	9:10	2.2	2:48	2.8
SUNDAY	4	10:34	10:34	9:47	8:1	SUNDAY	4	10:09	3:0	3:53	3.1
Monday	5	11:18	11:18	10:34	8:3	Monday	5	11:04	4:0	4:50	3.5
Tuesday	6	12:01	12:01	11:24	8:4	Tuesday	6	12:04	5:0	5:38	3.8
Wednesday	7	1:15	1:15	12:15	8:4	Wednesday	7	1:19	6:0	6:19	3.4
Thursday	8	1:37	1:37	1:07	8:3	Thursday	8	1:37	7:0	6:54	3.2
Friday	9	2:00	2:00	1:58	8:3	Friday	9	2:00	8:0	7:28	3.0
Saturday	10	2:28	2:28	2:48	8:1	Saturday	10	2:28	9:0	8:02	2.7
SUNDAY	11	3:00	3:00	3:38	7:9	SUNDAY	11	3:00	10:0	8:38	2.4
Monday	12	3:28	3:28	4:28	8:1	Monday	12	3:28	11:0	9:14	1.9
Tuesday	13	3:52	3:52	5:18	8:3	Tuesday	13	3:52	12:0	9:46	1.7
Wednesday	14	4:18	4:18	6:08	8:3	Wednesday	14	4:18	1:0	10:15	1.5
Thursday	15	4:44	4:44	6:58	8:3	Thursday	15	4:44	2:0	10:45	1.3
Friday	16	5:10	5:10	7:48	8:3	Friday	16	5:10	3:0	11:15	1.1
Saturday	17	5:36	5:36	8:38	8:3	Saturday	17	5:36	4:0	11:45	0.9
SUNDAY	18	6:02	6:02	9:28	8:3	SUNDAY	18	6:02	5:0	12:15	0.7
Monday	19	6:28	6:28	10:18	8:3	Monday	19	6:28	6:0	12:45	0.5
Tuesday	20	6:54	6:54	11:08	8:1	Tuesday	20	6:54	7:0	1:15	0.4
Wednesday	21	7:20	7:20	11:58	8:1	Wednesday	21	7:20	8:0	1:45	0.3
Thursday	22	7:46	7:46	12:48	7:6	Thursday	22	7:46	9:0	2:15	0.2
Friday	23	8:12	8:12	1:38	8:1	Friday	23	8:12	10:0	2:45	0.1
Saturday	24	8:38	8:38	2:28	8:4	Saturday	24	8:38	11:0	3:15	0.1
SUNDAY	25	9:04	9:04	3:18	8:7	SUNDAY	25	9:04	12:0	3:45	0.1
Monday	26	9:30	9:30	4:08	8:7	Monday	26	9:30	1:0	4:15	0.1
Tuesday	27	9:56	9:56	4:58	8:3	Tuesday	27	9:56	2:0	4:45	0.1
Wednesday	28	10:22	10:22	5:48	8:3	Wednesday	28	10:18	3:0	5:15	0.1
Thursday	29	10:48	10:48	6:38	7:8	Thursday	29	10:17	3:0	5:45	0.1
Friday	30	11:14	11:14	7:28	7:6	Friday	30	11:17	3:0	6:15	0.1
Saturday	31	11:40	11:40	8:18	7:6	Saturday	31	1:18	1:5	6:45	0.1